THE REPUBLIC OF THE UNION OF MYANMAR
The Myanmar Investment Commission
PERMIT

Form (2)
Sr. No. 5353
Dated 7.5.2013
Republic of the Union of Myanmar ★ Myanmar Investment Commission ★

Permit No. 573/2013 Date 7, May 2013

The Myanmar Investment Commission issues this Permit under Section 13(b) of the Republic of the Union of Myanmar Foreign Investment Law-

(a) Name of Investor/ Promoter MR.ZHANG GUILIN
(b) Citizenship CHINESE
(c) Address 301-1-1, 100 HAO, SHU LIN ROAD, KUNMING, YUNNAN PROVINCE, PEOPLE'S REPUBLIC OF CHINA
(d) Name and Address of principal organization KUNMING LONG TRADING CO.,LTD. NO.101, 1/F, BUILDING 1, NO.15, XUNJIN XINCUN, JINBI SUB-DISTRICT OFFICE, XISHAN DISTRICT,KUNMING CITY, YUNNAN PROVINCE, PEOPLE'S REPUBLIC OF CHINA
(e) Place of incorporation PEOPLE'S REPUBLIC OF CHINA
(f) Type of business in which investment is to be PRODUCTION AND MARKETING OF RICE AND CORN
(g) Place(s) at which investment is permitted KWIN NO. 1024 & 1026, YEMON VILLAGE, HLEGU TOWNSHIP, YANGON REGION AND KWIN NO. 1167, AUKE KWIN VILLAGE, PYAPON TOWNSHIP, AYEYARWADDY REGION
(h) Amount of foreign capital US$ 1.56 MILLION
(I) Period for bringing in foreign capital WITHIN TWO YEARS FROM THE DATE OF ISSUANCE OF MIC PERMIT
(j) Total amount of capital (Kyat) KYAT 2210.0 MILLION (INCLUDING US$ 1.56 MILLION)
(k) Construction period 24 MONTHS
(l) Permitted duration of investment 20 YEARS
(m) Form of investment JOINT-VENTURE
(n) Name of the economic organization to be formed in Myanmar ASIA AGRICULTURE COMPANY LIMITED

Chairman
The Myanmar Investment Commission

ပြည်ထောင်စုသမ္မတမြန်မာနိုင်ငံတော်
မြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှုကော်မရှင်
ခွင့်ပြုမိန့်

ခွင့်ပြုမိန့်အမှတ် ၅၇၃/၂၀၁၃ ၂၀၁၃ ခုနှစ် မေလ ၆ ရက်

ပြည်ထောင်စုသမ္မတမြန်မာနိုင်ငံတော် နိုင်ငံခြားရင်းနှီးမြှုပ်နှံမှု ဥပဒေပုဒ်မ (၁၃) ပုဒ်မခွဲ (ခ) အရ ဤခွင့်ပြုမိန့်ကို မြန်မာနိုင်ငံ ရင်းနှီးမြှုပ်နှံမှု ကော်မရှင်က ထုတ်ပေးလိုက်သည်-

(က) ရင်းနှီးမြှုပ်နှံသူ/ ကမကထပြုသူ၏အမည် MR.ZHANG GUILIN

(ခ) မည်သည့် နိုင်ငံသား CHINESE

(ဂ) နေရပ်လိပ်စာ 301-1-1, 100 HAO, SHU LIN ROAD, KUNMING, YUNNAN PROVINCE, PEOPLE'S REPUBLIC OF CHINA

(ဃ) ပင်မအဖွဲ့အစည်းအမည်နှင့်လိပ်စာ KUNMING LONG TRADING CO.,LTD. NO.101, 1/F, BUILDING 1, NO.15, XUNJIN XINCUN, JINBI SUB-DISTRICT OFFICE, XISHAN DISTRICT, KUNMING CITY, YUNNAN PROVINCE, PEOPLE'S REPUBLIC OF CHINA

(င) ဖွဲ့စည်းရာအရပ် PEOPLE'S REPUBLIC OF CHINA

(စ) ရင်းနှီးမြှုပ်နှံသည့်လုပ်ငန်းအမျိုးအစား ဆန်စပါး နှင့် ပြောင်းစိုက်ပျိုးခြင်း၊ ထုတ်လုပ်ခြင်းနှင့် ဖြန့်ဖြူးရောင်းချခြင်းလုပ်ငန်း

(ဆ) ရင်းနှီးမြှုပ်နှံသည့်အရပ်ဒေသ(များ) ကွင်းအမှတ် ၁၀၂၄ နှင့် ၁၀၂၆၊ ရဲခွန်ကျေးရွာ၊ လှည်းကူးမြို့နယ်၊ ရန်ကုန်တိုင်းဒေသကြီး၊ ကွင်းအမှတ် ၁၁၆၇၊ အောက်ကွင်းရွာ၊ ဖျာပုံမြို့နယ်၊ ဧရာဝတီတိုင်းဒေသကြီး

(ဇ) နိုင်ငံခြားမတည်ငွေရင်းပမာဏ အမေရိကန်ဒေါ်လာ ၁.၅၆ သန်း

(ဈ) နိုင်ငံခြားမတည်ငွေရင်းယူဆောင်လာရမည့်ကာလ ကော်မရှင် ခွင့်ပြုမိန့် ရရှိပြီး (၂)နှစ် အတွင်း

(ည) စုစုပေါင်း မတည်ငွေရင်းပမာဏ(ကျပ်) မြန်မာ ကျပ်ငွေ ၂၂၀၀.၀ သန်း (အမေရိကန် ဒေါ်လာ ၁.၅၆ သန်းအပါအဝင်)

(ဋ) တည်ဆောက်မှုကာလ ၂၄ လ

(ဌ) ရင်းနှီးမြှုပ်နှံခွင့်ပြုသည့် သက်တမ်း ၂၀ နှစ်

(ဍ) ရင်းနှီးမြှုပ်နှံမှုပုံစံ ဖက်စပ်လုပ်ငန်း

(ဎ) မြန်မာနိုင်ငံတွင် ဖွဲ့စည်းမည့် စီးပွားရေး အဖွဲ့အစည်းအမည် ASIA AGRICULTURE COMPANY LIMITED

ဥက္ကဋ္ဌ
မြန်မာနိုင်ငံရင်းနှီးမြှုပ်နှံမှုကော်မရှင်

THE REPUBLIC OF THE UNION OF MYANMAR
MYANMAR INVESTMENT COMMISSION
Building No.(32), Nay Pyi Taw

Our ref : Ya Ka-1/Na-771/2013(5383) Tel: 067-406334, 406075
Date : 7th May 2013 Fax: 95-67-406333

Subject: Decision of the Myanmar Investment Commission on the Proposal for "Production and Marketing of rice and corn" under the name of "ASIA Agriculture Company Limited"

Reference: ASIA Agriculture Company Limited Letter No. Admin (TP) 2013 (008) dated of (7.3.2013).

1. The Myanmar Investment Commission, at its meeting (11/2013) held on (29-3-2013) had approved the proposal for investment in "Production and Marketing of rice and corn" submitted as a Joint Venture between Kunming Long Trading Co., Ltd.(60%) from the People's Republic of China and Top Partner Trading Co.,Ltd. (40%) from the Republic of the Union of Myanmar.

2. The Cabinet of the Union Government, at its meeting (13/2013) held on (11-4-2013), resolved to permit the implementation of the proposal. Hence, the "Permit" is herewith issued in accordance with Chapter VII, section 13(b) of the Republic of the Union of Myanmar Foreign Investment Law and Chapter VIII, Rule 48 of the Foreign Investment Rules relating to the said Law. Terms and conditions to the "Permit" are stated in the following paragraphs.

3. The permitted duration of the project shall be 20 (Twenty) years for commencing from the date of signing of the Lease Agreement for Farm Land and extendable 10 (Ten) years (2) times period by mutual agreement between U Hla Thaung, Pa Pho Hla, U Tun Lwin, U Hla Thaung, U Shwe, U Htay Naing, U San (Aung Shwe), U Kyaw Than, U Saw Myint Aung, U Zaw Zaw Lin, U Aung, U Tin Aye (Land and Buildings) and ASIA Agriculture Company Limited.

4. The annual rent for the Farm Land shall be Kyats 360,000 (Kyats Three Hundred and Sixty thousand only) and calculated at the rate of Kyats 3373.63 per acre per year of the land measuring 106.71 acres and the Land and Buildings

shall be US$ 6000 (United States Dollars Sixty thousand) and calculated at the rate of US$ 2553.19 per acre per year of the land measuring 2.35 acres. The rate of rent for Farm Land, Land and Building shall be revised starting from 4th years by prevailing rate and rent shall be increased 5% for Farm Land and 8% for Land and Buildings accordingly from preceding year's rent.

5. In issuing this "Permit," the Commission has granted, the followings, exemptions and reliefs as per section 27(a) (h) (i) and (k) of the Republic of the Union of Myanmar Foreign Investment Law. Other exemptions and reliefs under section 27 shall have to be applied upon the actual performance of the project;

(a) As per section-27(a), income tax exemption for a period of five consecutive years including the year of commencement on commercial production;

(b) As per section-27(h), exemption or relief from customs duty or other internal taxes or both on machineries, equipments, instruments, machinery components, spare parts and materials used in the business which are imported as they are actually required for used during the period of construction of business;

(c) As per section-27(i), exemption or relief from customs duty or other internal taxes or both on raw materials imported for production for the first three-year after the completion of construction of business;

(d) As per section- 27(k), exemption of relief from commercial tax on the goods produced for export.

6. ASIA Agriculture Company Limited shall have to sign the Farm Land Lease Agreement with U Hla Thaung, Pa Pho Hla, U Tun Lwin, U Hla Thaung, U Shwe, U Htay Naing, U San (Aung Shwe), U Kyaw Than, U Saw Myint Aung, U Aung, U Zaw Zaw Lin and the Land and Buildings Agreement with U Tin Aye. After signing such Agreement, each of (5) copies shall have to be forwarded to the Commission.

7. ASIA Agriculture Company Limited in consultation with the Department of Company Registration, Directorate of Investment and Company Administration shall have to be registered. After registration, (5) copies each of Certificate of

Incorporation and Memorandum and Articles of Association shall have to be forwarded to the Commission.

8. ASIA Agriculture Company Limited has to abide by Chapter X, Rules 56 and 57 of the Foreign Investment Rules for construction of rice mill.

9. As per Chapter X, Rule 59 of the Foreign Investment Rules, extension of construction period shall not be granted more than once except it is due to unavoidable events such as natural disasters, instabilities, riots, strikes, emergency of State condition, insurgency and outbreak of wars.

10. As per Chapter X, Rule 61of the Foreign Investment Rules, if the investor cannot construct completely in time the construction period or extension period, the Commision will have to terminate the permit issued to the investor and there is no refund for the expenses of rice mill.

11. The commercial date of operation shall be reported to the Commission.

12. The Commission approves periodical appointments of foreign experts and technicians from abroad as per proposal and also in accordance with Chapter XI, section 24 and section 25 of the Republic of the Union of Myanmar Foreign Investment Law and the investor has to follow the existing Labour Laws for the recruitment of staff and labour in accordance with Chapter XIII, Rule 81 of the Foreign Investment Rules.

13. In order to evaluate foreign capital and for the purpose of its registration in accordance with the provisions under Chapter XV, section 37 of the Republic of the Union of Myanmar Foreign Investment Law, it is compulsory to report as early as possible in the following manner:-

(a) the amount of foreign currency brought into Myanmar, attached with the necessary documents issued by the respective bank where the account is opened and defined under Chapter XVI, Rules 133 and 134 of the Foreign Investment Rules;

(b) the detailed lists of the type and value of foreign capital defined under section 2(i) of the said Law, other than foreign currency.

14. ASIA Agriculture Company Limited brings in foreign capital defined under section 2(i) of the said Law, other than foreign currency in the manner stated in

paragraph 13(b) mentioned above, the Inspection Certificate endorsed and issued by an internationally recognized Inspection Firm with regard to quantity, quality and price of imported materials shall have to be attached.

15. ASIA Agriculture Company Limited has the right to make account transfer and expend the foreign currency from his bank account in accordance with Chapter XVI , Rule 137 of the Foreign Investment Rules and for transfer of local currency generated from the business to the local currency account opened at the bank by a citizen or a citizen-owned business in the Union and right to transfer back the equivalent amount of foreign currency from the foreign currency bank account of citizen or citizen-owned business by submitting the sufficient document in accordance with Chapter XVII, Rule 149 of the Foreign Investment Rules.

16. ASIA Agriculture Company Limited shall report to the Commission for any alteration in the physical and financial plan of the project. Cost over run, over and above the investment amount pledged in both local and foreign currency shall have to be reported as early as possible.

17. ASIA Agriculture Company Limited shall be responsible for the preservation of the environment at and around the area of the project site. In addition to this, it shall carry out as per comments made by Ministry of Environmental Conservation and Forestry in which to conduct Environmental Impact Assessment (EIA) process and an Environmental Management Plan (EMP) which describe the measure to be taken for preventing, mitigation and monitoring significant environmental impacts resulting from the implementation and operation of proposed project or business or activity has to be prepared and submitted and to perform activities in accordance with this EMP and to abide by the environmental policy, Environmental Conservation Law and other environmental related rules and regulations.

18. Payment of principal and interest of the loan(if any) as well as payment for import of raw materials and spare parts etc., shall only be made out of the official foreign exchange earnings of ASIA Agriculture Company Limited.

19. ASIA Agriculture Company Limited in consultation with Myanma Insurance, shall effect such types of insurance defined under Chapter XII, Rules 77 and 78 of the Foreign Investment Rules.

(Soe Thane)

Chairman

ASIA Agriculture Company Limited

cc:
1. Office of the Government of the Republic of the Union of Myanmar
2. Office of the Yangon Region Government
3. Office of the Ayeyarwaddy Region Government
4. Ministry of National Planning and Economic Development
5. Ministry of Finance and Revenue
6. Ministry of Commerce
7. Ministry of Agriculture and Irrigation
8. Ministry of Foreign Affairs
9. Ministry of Home Affairs
10. Ministry of Immigration and Population
11. Ministry of Labour, Employment and Social Security
12. Ministry of Electric Power
13. Ministry of Environmental Conservation and Forestry
14. Director General, Directorate of Investment and Company Administration
15. Director General, Customs Department
16. Director General, Internal Revenue Department
17. Director General, Directorate of Trade
18. Director General, Immigration and National Registration Department
19. Director General, Directorate of Labour
20. Managing Director, Myanma Foreign Trade Bank
21. Managing Director, Myanma Investment and Commercial Bank
22. Managing Director, Myanma Insurance

23. Managing Director, Myanma Electric Power Enterprise
24. Chairman, Republic of the Union of Myanmar Federation of Chambers of Commerce and Industry(UMFCCI)